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110TH CONGRESS
2D SESSION

H. R. 5748

To amend title XIX of the Social Security Act to permit States to exclude earned income in determining eligibility for medical assistance for individuals with extremely high prescription drug costs.

IN THE HOUSE OF REPRESENTATIVES

APRIL 9, 2008

Mr. MARCHANT introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend title XIX of the Social Security Act to permit States to exclude earned income in determining eligibility for medical assistance for individuals with extremely high prescription drug costs.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Ryan Dant Health Care Opportunity Act of 2008”.

1 **SEC. 2. MEDICAID STATE OPTION TO EXCLUDE EARNED IN-**
2 **COME IN DETERMINING ELIGIBILITY FOR IN-**
3 **DIVIDUALS WITH EXTREMELY HIGH PRE-**
4 **SCRIPTION DRUG COSTS.**

5 Section 1915 of the Social Security Act (42 U.S.C.
6 1396n) is amended by adding at the end the following new
7 subsection:

8 “(k) STATE OPTION TO EXCLUDE EARNED INCOME
9 IN DETERMINING ELIGIBILITY FOR INDIVIDUALS WITH
10 EXTREMELY HIGH PRESCRIPTION DRUG COSTS.—

11 “(1) IN GENERAL.—A State may provide,
12 through amendment to its State plan under this
13 title, that in determining the eligibility for medical
14 assistance under such plan of an individual described
15 in paragraph (2) during a year, earned income of
16 the individual (or any member of the individual’s
17 household) shall be excluded but only insofar as the
18 amount of such income in the year does not exceed
19 twice the amount specified in paragraph (3).

20 “(2) INDIVIDUAL DESCRIBED.—An individual
21 described in this paragraph for a year is an indi-
22 vidual who—

23 “(A) is covered under health insurance or
24 a health benefits plan during the year that has
25 prescription drug coverage with a maximum
26 lifetime limit of not less than \$1,000,000;

“(B) has exhausted all available prescription drug coverage under the plan for the year; and

“(C) incurs (or is reasonably expected to incur) on an annual basis during the year costs for prescription drugs in excess of the amount specified in paragraph (3) for the year.

“(3) AMOUNT SPECIFIED.—The amount specified in this paragraph—

“(A) for 2008 or 2009, is \$250,000; or

“(B) for a subsequent year, is the amount specified in this subparagraph (A) (or this subparagraph) for the previous year increased by the annual rate of increase in the medical care component of the consumer price index (U.S. city average) for the 12-month period ending in August of the previous year.

Any amount computed under subparagraph (B) that is not a multiple of \$1,000 shall be rounded to the nearest multiple of \$1,000.”.

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